

**BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE
FOR THE STATE OF TENNESSEE**

TENNESSEE INSURANCE DIVISION,
Petitioner,

vs.

JAMES M. TAGUE,
Respondent.

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No.: 12.01-059174J

AGREED ORDER

The Tennessee Insurance Division (hereinafter referred to as the “Division”) and James M. Tague (hereinafter referred to as the “Respondent”) agree to the entry of this Agreed Order subject to the approval of the Commissioner of Commerce and Insurance (hereinafter referred to as the “Commissioner”).

GENERAL STIPULATIONS

1. It is expressly understood that this Agreed Order is subject to the Commissioner’s acceptance and has no force and effect until such acceptance is evidenced by the entry of the Commissioner.
2. This Agreed Order is executed by the Respondent for the purpose of avoiding further administrative action with respect to this cause. Furthermore, should this Agreed Order not be accepted by the Commissioner, it is agreed that presentation to and consideration of this Agreed Order by the Commissioner shall not unfairly or illegally prejudice the Commissioner from further participation or resolution of these proceedings.

3. Respondent fully understands that this Agreed Order will in no way preclude additional proceedings by the Commissioner against the Respondent for acts or omissions not specifically addressed in this Agreed Order or for facts and/or omissions that do not arise from the facts or transactions herein addressed, nor does it preclude additional proceedings against the Respondent based upon these facts or transactions herein addressed by any other government agency or law enforcement authority or preclude the Division's assistance to such agency or law enforcement authority. Respondent also understands that the facts contained in this Agreed Order may be used to deny any future application for licensure in which the Respondent may file with the Commissioner.

4. Respondent expressly waives all further procedural steps, and expressly waives all rights to seek judicial review of or to otherwise challenge or contest the validity of the Agreed Order, the stipulations and imposition of discipline contained herein, and the consideration and entry of said Agreed Order by the Commissioner.

FINDINGS OF FACT

1. The Tennessee Insurance Law, as amended, Tenn. Code Ann. §§ 56-1-101, *et seq.* (hereinafter referred to as the "Law"), places the responsibility for the administration of the Law on the Commissioner. The Insurance Division of the Department of Commerce and Insurance (hereinafter referred to as the "Division") is the lawful agent through which the Commissioner discharges this responsibility.

2. The Respondent is a citizen of Tennessee and a resident of Soddy Daisy, residing at 2615 A Thicket Road, Soddy Daisy, Tennessee 37379. The Respondent currently holds an insurance producer license issued by the Commissioner.

3. On or around September 5, 2002, the Commissioner entered a Consent Order which revoked the insurance producer license of the Respondent. This action was taken with the consent of the Respondent, as evidenced by his signature to the Consent Order.

4. On or around June 5, 2003, the Commissioner entered a Consent Order which had the effect of allowing for the reinstatement of the Respondent's insurance producer license. In addition to allowing for such reinstatement, this Consent Order placed certain conditions on the reinstatement of the Respondent's insurance produce license.

5. On or around February 27, 2003, the Respondent filed a Resident License Renewal Form (hereinafter referred to as the "Georgia Renewal Form") with the Georgia Insurance Department. On Question E of Section 5 of the Georgia Renewal Form the Respondent answered "NO" to the question of "Have you ever been refused or had suspended or revoked an insurance license in any State?"

6. As the Respondent had his license revoked prior to and at the time the Respondent submitted his Georgia Renewal Form to the Georgia Department of Insurance, the Respondent's answer to Question E of Section 5 of the Georgia Renewal Form was false.

CONCLUSIONS OF LAW

7. Tenn. Code Ann. § 56-6-112(a)(4) states, in pertinent part, that the Commissioner may suspend, revoke, or refuse to renew any insurance producer license if she finds that one holding a license to sell insurance has obtained or attempted to obtain a license through misrepresentation or fraud.

8. Tenn. Code Ann. § 56-6-112(a)(1) states, in pertinent part, that the Commissioner may suspend, revoke, or refuse to renew any insurance producer license if she finds that one holding a license to sell insurance has provided incorrect, misleading, incomplete or materially untrue information in the license application.

9. Tenn. Code Ann. § 56-6-112(a)(2) states, in pertinent part, that the Commissioner may suspend, revoke, or refuse to renew any insurance producer license if she finds that one holding a license to sell insurance has violated any law, rule, regulation, subpoena or order of the commissioner or of another state's commissioner.

10. Georgia Code Ann. § 33-23-21(2) states, in pertinent part, that the Georgia Commissioner may suspend, revoke, or refuse to renew any insurance producer license if he finds that one holding a license to sell insurance has misrepresented or concealed any material fact in any application for a license or on any form filed with the Georgia Commissioner.

11. Based upon the Findings of Fact cited above and the Conclusions of Law contained herein, the Commissioner considers the actions of the Respondent to be in violation of Tenn. Code Ann. § 56-6-112(a)(1), (2) and (4).

12. The Respondent hereby admits to the Findings of Fact stated above. The Respondent hereby also acknowledges the Commissioner's authority to administer said statutes and concedes that the Commissioner's interpretation of the statutes, as set forth in the Conclusions of Law, are reasonable and enforceable. Therefore, the Respondent, in order to avoid any further expenses or costs associated with litigating this matter, hereby desires to enter into this Agreed Order.

ORDER

NOW, THEREFORE, on the basis of the foregoing, and the waiver by the Respondent of his rights to a hearing and appeal under the Tennessee Insurance Law and Tennessee's Uniform Administrative Procedures Act, Tennessee Code Annotated §§ 4-5-101, *et seq.*, and the admission by the Respondent of the jurisdiction of the Commissioner, the Commissioner finds that the Respondent has agreed to the entry of this Order and that this Order is appropriate, in the public interest and necessary for the protection of investors.

IT IS ORDERED, pursuant to Tennessee Code Annotated § 56-6-112 that:

The Respondent's insurance producer license and all other licenses authorizing the Respondent to sell any type of insurance in the State of Tennessee are hereby revoked.

The Respondent shall remit to the Department a civil penalty in the amount of One Thousand Dollars (\$1,000.00) within thirty (30) days of the entry of this Agreed Order.

IT IS FURTHER ORDERED that this Order represents the complete and final resolution of, and discharge with respect to all administrative actions and causes of action by the Commissioner against the Respondent for violations of the Act arising out of the Findings of Facts stated above.

This Agreed Order is in the public interest and in the best interests of the parties, and represents a compromise and settlement of the controversy between the parties and is for settlement purposes only. By the signatures affixed below, the Respondent affirmatively states that he has freely agreed to the entry of this Agreed Order, that he has been advised that he may consult legal counsel in this matter, and has had the opportunity to consult with legal counsel should he have desired to do so, that he waives his right to a hearing on the matters underlying this Agreed Order and to a review of the Findings of Fact and Conclusions of Law contained herein, and that no threats

or promises of any kind have been made by the Commissioner, the Division, or any agent or representative thereof. The parties, by signing this Agreed Order, affirmatively state their agreement to be bound by the terms of this Agreed Order and aver that no promises or offers relating to the circumstances described herein, other than the terms of settlement set forth in this Agreed Order, are binding upon them.

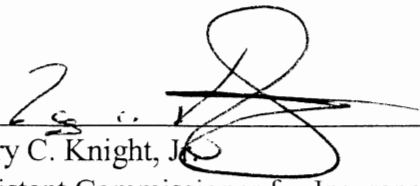
SO ORDERED.

Entered this the 12th day of August, 2004.

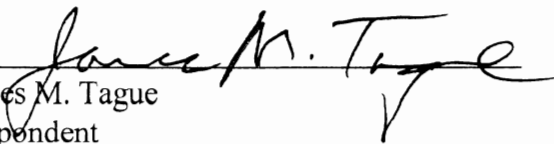
Paula A. Flowers

Paula A. Flowers, Commissioner
Department of Commerce and Insurance


APPROVED FOR ENTRY:



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